

Agenda Item #3b - Stimulus Package

American Recovery and Reinvestment Act. NOAA Coastal and Marine Habitat Restoration Project Grants Puget Sound Partnership Process to Endorse Projects

March 25, 2009

Request to the Leadership Council. It is requested that at its March 31, 2009, meeting, the Leadership Council affirm the process described below and endorse the habitat restoration project list prepared pursuant to it.

Background

This memo concerns habitat restoration projects eligible for funding by the NOAA Coastal and Marine Habitat Restoration Project Grants, Federal Funding Opportunity NOAA-NMFS-HCPO-2009-2001709 ("FFO"), announced March 6, 2009.

NOAA's FFO provides up to \$170 million nationwide for coastal and marine habitat restoration project grants. These grants are to be awarded competitively. NOAA has imposed April 6, 2009 as the deadline for project submittal. Thus, the Partnership has very limited time for reviewing projects and conducting a public process to determine which projects it should support.

State of Washington Role

Governor Gregoire has instructed state agencies to support implementation of the American Recovery and Reinvestment Act ("ARRA" or "Act"). State agencies are encouraged to identify projects that meet the criteria for the various components of the Act and that advance state priorities. <http://www.recovery.wa.gov>. The Puget Sound Partnership is leading the State of Washington's review of habitat restoration projects in Puget Sound that may be eligible for funding by the NOAA FFO.

Pursuant to the process outlined below, it is proposed that the Puget Sound Partnership endorse a list of habitat restoration projects in the neighborhood of \$45 million. It is expected that project sponsors collectively will submit a much larger list.

Process

1. All Projects. All potential project sponsors have been encouraged to apply directly to NOAA.

2. Puget Sound Partnership Process.

- **Initial review, web posting, and circulation.** In the fall of 2008, staff began to consult with watersheds, state agencies, tribes, and nonprofits to identify habitat restoration projects that could be ready to go for the 2009 construction season. After the March 6 NOAA announcement, staff conducted an initial review of habitat restoration projects sponsors might possibly submit to NOAA, totaling approximately \$117 million. On March 20, this full list of reviewed projects was posted on the Partnership web site. This list was also be circulated to the Partnership's Ecosystem Coordination Board, the Puget Sound Salmon Recovery Council, Puget Sound Watershed Leads, and other interested parties.

At the beginning of the full list, a draft project list of Puget Sound priorities amounting to approximately \$43 million was proposed. Initial staff review had determined that these projects were likely to meet the requirements of NOAA's FFO and that the projects also strongly advance the Action Agenda.

- **Criteria for initial review.** NOAA's FFO specifies criteria for projects to be competitive. These criteria include, among other things, readiness, jobs created, and ecological benefits. The Action Agenda, Table 4-1 (pages 88-92), ranks near-term actions for protecting and restoring Puget Sound. Most Puget Sound restoration projects will fall within Priority B, Restoration (page 90). Table 4-1 specifies priorities for near-term restoration actions. These priorities are:
 1. Restoration projects from salmon recovery three-year work plans and the Estuary and Salmon Restoration Program.
 2. The Puget Sound Nearshore Partnership General Investigation.
 3. Restoration at the mouths of major river systems.
 4. Coordinated incentive and technical assistance programs for landowners.
 5. Derelict gear removal.
 6. Bellingham bay.
 7. Port Angeles Harbor.
 8. Floodplain and river process restoration.
 9. Remove blockages of ecosystem processes; provide access to habitat.
 10. Duwamish Bay.
- **Public comment.** When the full list and the proposed priority projects were published on the Partnership web site on March 20, it was also announced that public comment would be accepted through March 24. It was requested that comments be focused on whether the projects on the draft \$43 million list meet the criteria of NOAA's FFO and whether the projects on the list strongly advance the Action Agenda. Information was also requested regarding projects that should be added to the priority list.
- **March 23, 2009 Teleconference.** A public teleconference was set for Monday March 23, from 1:00 pm to 2:00 pm. During this call, Partnership

staff described the Partnership's process and answered questions raised by the approximately 20 members of the public who called in. Follow-up conversations were conducted with project sponsors who called in and sought to have their project elevated to the proposed priority list.

- **Public comments reviewed.** Public comment closed at 5:00 pm March 24. That evening, the comments were reviewed. Based on further information clarifying whether projects met the criteria of the NOAA FFO and strongly advance the Action Agenda, staff recommended that certain projects be elevated to the priority list for Partnership endorsement. Project sponsors also asked, in a few cases, that their projects be removed from the priority list.
- **Puget Sound Salmon Recovery Council.** The Puget Sound Salmon Recovery Council will review the project list at its regularly scheduled meeting on Thursday, March 26, 2009, at the Edmonds City Hall. The Recovery Council will be asked to advise the Partnership regarding which projects on the draft list most effectively advance the Action Agenda and implement the Puget Sound Salmon Recovery Plan. The draft list may be revised based on this advice.
- **Partnership Leadership Council.** Based on the public comment, Recovery Council advice, and staff compilation, a final project list will be submitted to the Partnership Leadership Council. The Leadership Council will be asked to affirm the process for developing the list and to endorse the projects on the list at its regularly scheduled meeting on March 31, 2009.
- **Effect of Partnership Endorsement.** As previously noted, all project sponsors are encouraged to apply. An endorsement from the Partnership will be an indication of public support, which is one of the criteria that NOAA uses for scoring, amounting to less than 8% of the total score for a project. An endorsement from the Partnership will also make it possible for the Governor to submit a letter of support.
- **On-going staff review and project submittal.** As soon as possible, but no later than April 1, 2009, sponsors of projects identified for Partnership support are requested to submit their draft completed project applications to Partnership staff. Partnership staff will review the applications for completeness and to confirm that the project meets the criteria in the NOAA FFO and strongly advances the Action Agenda. When this review is complete, if the project truly does meet the criteria of the NOAA FFO and strongly advance the Action Agenda, a letter will be prepared endorsing the proposed project. This letter will be forwarded to the project sponsor for submittal to NOAA along with the completed application. Letters of support also will be sought from Governor Gregoire, for inclusion with the completed application.